

**ARIZONA CORPORATION COMMISSION**  
**UTILITIES DIVISION**

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

W-01723A  
Rincon Water Company  
HC #70 Box 3601  
Sahuarita, AZ 85629

**ANNUAL REPORT**  
**Water**

**FOR YEAR ENDING**

12	31	2010
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FOR COMMISSION USE

ANN 04	10
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3-21-11

## COMPANY INFORMATION

<b>Company Name (Business Name)</b> <u>Rincon Water Company</u>		
Mailing Address <u>HC #70 Box 3601</u>		
(Street)		
<u>Sahuarita, AZ 85629</u>		
(City)	(State)	(Zip)
<u>(520) 625-1671</u>	<u>(520) 625-1922</u>	<u>NA</u>
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)
Email Address <u>NA</u>		
<b>Local Office Mailing Address</b> <u>Same as above</u>		
(Street)		
(City)	(State)	(Zip)
Local Office Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)
Email Address _____		

## MANAGEMENT INFORMATION

<input type="checkbox"/> <b>Regulatory Contact:</b>			
<input type="checkbox"/> <b>Management Contact:</b> <u>Karen Hartwell</u>			
(Name)		(Title)	
<u>HC #70 Box 3601</u>	<u>Sahuarita</u>	<u>AZ</u>	<u>85629</u>
(Street)	(City)	(State)	(Zip)
<u>(520) 625-1671</u>	<u>(520) 625-1922</u>	<u>NA</u>	
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)	
Email Address _____			
<b>On Site Manager:</b> <u>Same as above</u>			
(Name)			
(Street)	(City)	(State)	(Zip)
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)	
Email Address _____			

**Statutory Agent:** Michael R. Urman

(Name)

2525 East Broadway Blvd, #200  
(Street)

Tucson  
(City)

AZ  
(State)

85716  
(Zip)

(520) 322-5000

Telephone No. (Include Area Code)

NA

Fax No. (Include Area Code)

NA

Cell No. (Include Area Code)

**Attorney:** Same as above

(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

**Email Address** \_\_\_\_\_

### OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ **Sole Proprietor (S)**

☐ **C Corporation (C) (Other than Association/Co-op)**

☐ **Partnership (P)**

☒ **Subchapter S Corporation (Z)**

☐ **Bankruptcy (B)**

☐ **Association/Co-op (A)**

☐ **Receivership (R)**

☐ **Limited Liability Company**

☐ **Other (Describe)** \_\_\_\_\_

### COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ **APACHE**

☐ **COCHISE**

☐ **COCONINO**

☐ **GILA**

☐ **GRAHAM**

☐ **GREENLEE**

☐ **LA PAZ**

☐ **MARICOPA**

☐ **MOHAVE**

☐ **NAVAJO**

☒ **PIMA**

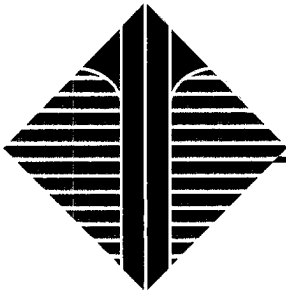
☐ **PINAL**

☐ **SANTA CRUZ**

☐ **YAVAPAI**

☐ **YUMA**

☐ **STATEWIDE**



roberts & associates, pllc  
certified public accountants & consultants

d jack roberts, cpa  
mary roberts, cpa  
wendy g alexonis, cpa

ACCOUNTANTS' COMPILATION REPORT

Rincon Water Company  
Sahuarita, Arizona

We have compiled the annual report to the Arizona Corporation Commission, Utilities Division, for the year ended December 31, 2010 for Rincon Water Company (an S corporation) included in the accompanying prescribed form in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

Our compilation was limited to presenting in the form prescribed by the Arizona Corporation Commission, Utilities Division, information that is the representation of management. We have not audited or reviewed the annual report referred to above and, accordingly, do not express an opinion or any other form of assurance on it.

The annual report is presented in accordance with the requirements of the Arizona Corporation Commission, Utilities Division, which differ from generally accepted accounting principles. Accordingly, the annual report is not designed for those who are not informed about such differences.

Roberts & Associates PLLC

March 8, 2011

**COMPANY NAME: Rincon Water Company**

**UTILITY PLANT IN SERVICE**

<b>Acct. No.</b>	<b>DESCRIPTION</b>	<b>Original Cost (OC)</b>	<b>Accumulated Depreciation (AD)</b>	<b>O.C.L.D. (OC less AD)</b>
301	Organization	NA	NA	NA
302	Franchises	1,549	NA	1,549
303	Land and Land Rights	141,718	NA	141,718
304	Structures and Improvements	80,825	52,300	28,525
307	Wells and Springs	30,556	30,556	-0-
311	Pumping Equipment	52,979	25,121	27,858
320	Water Treatment Equipment	NA	-60,548	60,548
330	Distribution Reservoirs and Standpipes	184,730	143,577	41,153
331	Transmission and Distribution Mains	903,095	482,422	420,673
333	Services	34,995	17,823	17,172
334	Meters and Meter Installations	12,665	8,826	3,839
335	Hydrants	NA	NA	NA
336	Backflow Prevention Devices	NA	NA	NA
339	Other Plant and Misc. Equipment	77,048	11,622	65,426
340	Office Furniture and Equipment	NA	NA	NA
341	Transportation Equipment	1,500	863	637
343	Tools, Shop and Garage Equipment	3,030	1,548	1,482
344	Laboratory Equipment	NA	NA	NA
345	Power Operated Equipment	NA	NA	NA
346	Communication Equipment	8,833	5,080	3,753
347	Miscellaneous Equipment	2,246	561	1,685
348	Other Tangible Plant	NA	NA	NA
	<b>TOTALS</b>	<b>1,535,769</b>	<b>719,751</b>	<b>816,018</b>

This amount goes on the Balance Sheet Acct. No. 108 

**\*\*SEE ACCOUNTANTS' COMPILATION REPORT\*\***

**COMPANY NAME: Rincon Water Company**

**CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR**

<b>Acct. No.</b>	<b>DESCRIPTION</b>	<b>Original Cost (1)</b>	<b>Depreciation Percentage (2)</b>	<b>Depreciation Expense (1x2)</b>
301	Organization	NA	NA	NA
302	Franchises	1,549	NA	NA
303	Land and Land Rights	141,718	NA	NA
304	Structures and Improvements	80,825	5%	4,041
307	Wells and Springs	30,556	5% (Limited)	-0-
311	Pumping Equipment	52,979	5%	3,049
320	Water Treatment Equipment	NA	NA	NA
330	Distribution Reservoirs and Standpipes	184,730	5%	9,237
331	Transmission and Distribution Mains	903,095	5%	45,155
333	Services	34,995	5%	1,750
334	Meters and Meter Installations	12,665	5%	633
335	Hydrants	NA	NA	NA
336	Backflow Prevention Devices	NA	NA	NA
339	Other Plant and Misc. Equipment	77,048	5%	3,852
340	Office Furniture and Equipment	NA	NA	NA
341	Transportation Equipment	1,500	5%	75
343	Tools, Shop and Garage Equipment	3,030	5%	151
344	Laboratory Equipment	NA	NA	NA
345	Power Operated Equipment	NA	NA	NA
346	Communication Equipment	8,833	5%	442
347	Miscellaneous Equipment	2,246	5%	112
348	Other Tangible Plant	NA	NA	NA
	<b>TOTALS</b>	<b>1,535,769</b>		<b>68,497</b>

This amount goes on the Comparative Statement of Income and Expense \_\_\_\_\_  
Acct. No. 403.

**BALANCE SHEET**

Acct No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>CURRENT AND ACCRUED ASSETS</b>		
131	Cash	\$3,694	\$4,416
134	Working Funds	-0-	-0-
135	Temporary Cash Investments	93,102	74,717
141	Customer Accounts Receivable	4,357	4,776
146	Notes/Receivables from Associated Companies	-0-	-0-
151	Plant Material and Supplies	-0-	-0-
162	Prepayments	-0-	-0-
174	Miscellaneous Current and Accrued Assets	-0-	-0-
	<b>TOTAL CURRENT AND ACCRUED ASSETS</b>	\$101,153	\$83,909
	<b>FIXED ASSETS</b>		
101	Utility Plant in Service	\$1,535,768	\$1,535,769
103	Property Held for Future Use	-0-	-0-
105	Construction Work in Progress	-0-	-0-
108	Accumulated Depreciation – Utility Plant	(651,254)	(719,751)
121	Non-Utility Property	-0-	-0-
122	Accumulated Depreciation – Non Utility	-0-	-0-
	<b>TOTAL FIXED ASSETS</b>	\$884,515	\$816,018
	<b>TOTAL ASSETS</b>	<b>\$985,668</b>	<b>\$899,927</b>

**NOTE:** The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

**BALANCE SHEET (CONTINUED)**

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>LIABILITIES</b>		
	<b>CURRENT LIABILITIES</b>		
231	Accounts Payable	\$705	\$1,608
232	Notes Payable (Current Portion)	63,917	41,052
234	Notes/Accounts Payable to Associated Companies	12,101	4,175
235	Customer Deposits	11,645	9,485
236	Accrued Taxes	232	288
237	Accrued Interest	-0-	-0-
241	Miscellaneous Current and Accrued Liabilities	83,534	68,093
	<b>TOTAL CURRENT LIABILITIES</b>	<b>\$172,134</b>	<b>\$124,701</b>
	<b>LONG-TERM DEBT (Over 12 Months)</b>		
224	Long-Term Notes and Bonds	\$-0-	\$-0-
	<b>DEFERRED CREDITS</b>		
251	Unamortized Premium on Debt	\$-0-	\$-0-
252	Advances in Aid of Construction	798,364	793,249
255	Accumulated Deferred Investment Tax Credits	-0-	-0-
271	Contributions in Aid of Construction	141,875	141,875
272	Less: Amortization of Contributions	-0-	-0-
281	Accumulated Deferred Income Tax	-0-	-0-
	<b>TOTAL DEFERRED CREDITS</b>	<b>\$940,239</b>	<b>\$935,124</b>
	<b>TOTAL LIABILITIES</b>	<b>\$1,112,373</b>	<b>\$1,059,825</b>
	<b>CAPITAL ACCOUNTS</b>		
201	Common Stock Issued	\$588,857	\$588,857
211	Paid in Capital in Excess of Par Value	141,073	141,073
215	Retained Earnings	(856,635)	(889,828)
218	Proprietary Capital (Sole Props and Partnerships)	-0-	-0-
	<b>TOTAL CAPITAL</b>	<b>\$(126,705)</b>	<b>\$(159,898)</b>
	<b>TOTAL LIABILITIES AND CAPITAL</b>	<b>\$985,668</b>	<b>\$899,927</b>



**COMPARATIVE STATEMENT OF INCOME AND EXPENSE**

<b>Acct. No.</b>	<b>OPERATING REVENUES</b>	<b>PRIOR YEAR</b>	<b>CURRENT YEAR</b>
461	Metered Water Revenue	\$53,344	\$58,455
460	Unmetered Water Revenue	-0-	-0-
474	Other Water Revenues	-0-	-0-
	<b>TOTAL REVENUES</b>	\$53,344	\$58,455
	<b>OPERATING EXPENSES</b>		
601	Salaries and Wages	\$-0-	\$-0-
610	Purchased Water	-0-	-0-
615	Purchased Power	2,738	3,246
618	Chemicals	-0-	-0-
620	Repairs and Maintenance	11,935	20,131
621	Office Supplies and Expense	832	724
630	Outside Services	8,602	10,439
635	Water Testing	962	958
641	Rents	-0-	-0-
650	Transportation Expenses	-0-	-0-
657	Insurance – General Liability	7,450	3,219
659	Insurance - Health and Life	1,194	1,194
666	Regulatory Commission Expense – Rate Case	45	45
675	Miscellaneous Expense	1,092	1,739
403	Depreciation Expense	68,737	68,497
408	Taxes Other Than Income	-0-	-0-
408.11	Property Taxes	3,113	3,176
409	Income Tax	-0-	-0-
	<b>TOTAL OPERATING EXPENSES</b>	\$106,700	\$113,367
	<b>OPERATING INCOME/(LOSS)</b>	<b>\$(53,356)</b>	<b>\$(54,912)</b>
	<b>OTHER INCOME/(EXPENSE)</b>		
419	Interest and Dividend Income	\$24	\$11
421	Non-Utility Income	18,774	24,440
426	Miscellaneous Non-Utility Expenses	-0-	-0-
427	Interest Expense	(3,359)	(2,731)
	<b>TOTAL OTHER INCOME/(EXPENSE)</b>	\$15,439	\$21,720
	<b>NET INCOME/(LOSS)</b>	<b>\$(37,917)</b>	<b>\$(33,193)</b>

**SUPPLEMENTAL FINANCIAL DATA**  
**Long-Term Debt**

	<b>LOAN #1</b>	<b>LOAN #2</b>	<b>LOAN #3</b>	<b>LOAN #4</b>
Date Issued	NA	NA	NA	NA
Source of Loan	NA	NA	NA	NA
ACC Decision No.	NA	NA	NA	NA
Reason for Loan	NA	NA	NA	NA
Dollar Amount Issued	\$ NA	\$ NA	\$ NA	\$ NA
Amount Outstanding	\$ NA	\$ NA	\$ NA	\$ NA
Date of Maturity	NA	NA	NA	NA
Interest Rate	NA %	NA %	NA %	NA %
Current Year Interest	\$ NA	\$ NA	\$ NA	\$ NA
Current Year Principle	\$ NA	\$ NA	\$ NA	\$ NA

Meter Deposit Balance at Test Year End \$ NA

Meter Deposits Refunded During the Test Year \$ NA

**COMPANY NAME: Rincon Water Company**

**Name of System:**

**ADEQ Public Water System Number:**

## **WATER COMPANY PLANT DESCRIPTION**

### **WELLS**

<b>ADWR ID Number*</b>	<b>Pump Horsepower</b>	<b>Pump Yield (gpm)</b>	<b>Casing Depth (Feet)</b>	<b>Casing Diameter (Inches)</b>	<b>Meter Size (inches)</b>	<b>Year Drilled</b>
607531	15	1550	280	12	4	1982
607532	CAPPED	NA	NA	NA	NA	NA
607533	5	40	101	24	2	1982

\* Arizona Department of Water Resources Identification Number

### **OTHER WATER SOURCES**

<b>Name or Description</b>	<b>Capacity (gpm)</b>	<b>Gallons Purchased or Obtained (in thousands)</b>
NA		

<b>BOOSTER PUMPS</b>		<b>FIRE HYDRANTS</b>	
<b>Horsepower</b>	<b>Quantity</b>	<b>Quantity Standard</b>	<b>Quantity Other</b>
20	2	20	
40	1		
30	2		
60	1		

<b>STORAGE TANKS</b>		<b>PRESSURE TANKS</b>	
<b>Capacity</b>	<b>Quantity</b>	<b>Capacity</b>	<b>Quantity</b>
186,000	1	5,000	2
20,000	1		
140,000	1		

***Note: If you are filing for more than one system, please provide separate sheets for each system.***

**COMPANY NAME: Rincon Water Company**

**Name of System:**

**ADEQ Public Water System Number:**

**WATER COMPANY PLANT DESCRIPTION (CONTINUED)**

**MAINS**

Size (in inches)	Material	Length (in feet)
2	PVC	1,000
3	NA	NA
4	PVC	6,100
5	NA	NA
6	TRANSITE	40,900
8	PVC	2,377
10	NA	NA
12	NA	NA
6	PVC	33,033

**CUSTOMER METERS**

Size (in inches)	Quantity
5/8 X 3/4	NA
3/4	NA
1	72
1 1/2	NA
2	NA
Comp. 3	NA
Turbo 3	NA
Comp. 4	NA
Turbo 4	NA
Comp. 6	NA
Turbo 6	NA

**For the following three items, list the utility owned assets in each category for each system.**

**TREATMENT EQUIPMENT:**

NONE

**STRUCTURES:**

Water plant with 2 buildings and a pond, all located in a fenced site.

**OTHER:**

NA

***Note: If you are filing for more than one system, please provide separate sheets for each system.***

<b>COMPANY NAME: Rincon Water Company</b>	
<b>Name of System:</b>	<b>ADEQ Public Water System Number:</b>

**WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2010**

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	71	621	597	
FEBRUARY	70	471	538	
MARCH	70	575	651	
APRIL	70	639	635	
MAY	68	707	1029	
JUNE	69	1029	1114	
JULY	69	1050	1155	
AUGUST	70	628	696	
SEPTEMBER	71	687	733	
OCTOBER	70	648	732	
NOVEMBER	70	686	621	
DECEMBER	70	525	563	
<b>TOTALS →</b>		8,266	9,064	

What is the level of arsenic for each well on your system? \_\_\_\_\_ <0.0010 \_\_\_\_\_ mg/l  
*(If more than one well, please list each separately.)*

If system has fire hydrants, what is the fire flow requirement? \_\_ 250 \_\_ GPM for \_\_ 1 \_\_ hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?  
☐ Yes                      ☒ No

Is the Water Utility located in an ADWR Active Management Area (AMA)?  
☒ Yes                      ☐ No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?  
☐ Yes                      ☒ No

If yes, provide the GPCPD amount: \_\_\_\_\_

***Note: If you are filing for more than one system, please provide separate data sheets for each system.***

<b>COMPANY NAME: Rincon Water Company</b>	
<b>Name of System:</b>	<b>ADEQ Public Water System Number:</b>

**UTILITY SHUTOFFS / DISCONNECTS**

MONTH	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	OTHER
JANUARY			
FEBRUARY		1	
MARCH		1	
APRIL			
MAY			
JUNE			
JULY			
AUGUST			
SEPTEMBER			
OCTOBER			
NOVEMBER			
DECEMBER			
<b>TOTALS →</b>		2	

OTHER (description):

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COMPANY NAME Rincon Water Company YEAR ENDING 12/31/2010

**PROPERTY TAXES**

Amount of actual property taxes paid during Calendar Year 2010 was: \$ 3,175.63

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**VERIFICATION  
AND  
SWORN STATEMENT  
Taxes**

**VERIFICATION**

STATE OF ARIZONA

I, THE UNDERSIGNED  
OF THE

COUNTY OF (COUNTY NAME)	<b>PIMA</b>
NAME (OWNER OR OFFICIAL) TITLE	<b>KAREN HARTWELL, PRESIDENT</b>
COMPANY NAME	<b>RINCON WATER COMPANY</b>

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2010

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

Karen Hartwell  
SIGNATURE OF OWNER OR OFFICIAL

520-625-1671  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

Karen Hartwell

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

14

DAY OF

March

MONTH

March

2011

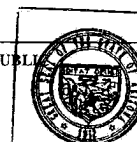
(SEAL)

MY COMMISSION EXPIRES

11/03/2014

SIGNATURE OF NOTARY PUBLIC

[Signature]



ELIZABETH COLE  
NOTARY PUBLIC - ARIZONA  
PIMA COUNTY  
My Commission Expires  
November 3, 2015



COMPANY NAME RINCON WATER COMPANY YEAR ENDING 12/31/2010

**INCOME TAXES**

For this reporting period, provide the following:

Federal Taxable Income Reported	<u>-0-</u>
Estimated or Actual Federal Tax Liability	<u>-0-</u>

State Taxable Income Reported	<u>-0-</u>
Estimated or Actual State Tax Liability	<u>-0-</u>

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances	<u>-0-</u>
Amount of Gross-Up Tax Collected	<u>-0-</u>
Total Grossed-Up Contributions/Advances	<u>-0-</u>

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

**CERTIFICATION**

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

Karen Hartwell  
SIGNATURE

3-14-11  
DATE

KAREN HARTWELL  
PRINTED NAME

PRESIDENT  
TITLE

**VERIFICATION  
AND  
SWORN STATEMENT**  
Intrastate Revenues Only

**VERIFICATION**

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)
<b>PIMA</b>
NAME (OWNER OR OFFICIAL) TITLE
<b>KAREN HARTWELL</b>
COMPANY NAME
<b>RINCON WATER COMPANY</b>

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2010

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2010 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 62,430

(THE AMOUNT IN BOX ABOVE  
INCLUDES \$ 3,975  
IN SALES TAXES BILLED, OR COLLECTED)

**\*\*REVENUE REPORTED ON THIS PAGE MUST  
INCLUDE SALES TAXES BILLED OR  
COLLECTED. IF FOR ANY OTHER REASON,  
THE REVENUE REPORTED ABOVE DOES NOT  
AGREE WITH TOTAL OPERATING REVENUES  
ELSEWHERE REPORTED, ATTACH THOSE  
STATEMENTS THAT RECONCILE THE  
DIFFERENCE. (EXPLAIN IN DETAIL)**

Karen Hartwell  
SIGNATURE OF OWNER OR OFFICIAL  
520-825-1671  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME Kare Hartwell

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

14  
March 2011  
(SEAL)

DAY OF

COUNTY NAME
<u>Pima</u>
MONTH
<u>March</u> , 20 <u>11</u>

MY COMMISSION EXPIRES

11/03/2014

SIGNATURE OF NOTARY PUBLIC

[Signature]



ELIZABETH COLE  
NOTARY PUBLIC - ARIZONA  
PIMA COUNTY  
My Commission Expires 11  
November 3, 2014

**VERIFICATION  
AND  
SWORN STATEMENT  
RESIDENTIAL REVENUE  
Intrastate Revenues Only**

**VERIFICATION**

**STATE OF ARIZONA**

**I, THE UNDERSIGNED**

**OF THE**

COUNTY OF (COUNTY NAME)	PIMA	
NAME (OWNER OR OFFICIAL)	KAREN HARTWELL	TITLE PRESIDENT
COMPANY NAME	RINCON WATER COMPANY	

**DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION**

**FOR THE YEAR ENDING**

MONTH	DAY	YEAR
12	31	2010

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2010 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 62,430

THE AMOUNT IN BOX AT LEFT

INCLUDES \$ 3,975  
IN SALES TAXES BILLED, OR COLLECTED)

**\*RESIDENTIAL REVENUE REPORTED ON THIS PAGE  
MUST INCLUDE SALES TAXES BILLED.**

Karen Hartwell  
SIGNATURE OF OWNER OR OFFICIAL

520-625-1671  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME Karen Hartwell

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

14

DAY OF

March

MONTH

March

2011

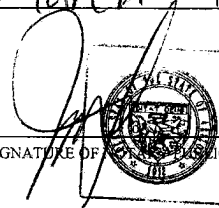
(SEAL)

MY COMMISSION EXPIRES

11/03/2014

NOTARY PUBLIC NAME	Elizabeth C.	
COUNTY NAME	Pima	
MONTH	March	2011

SIGNATURE OF



ELIZABETH COLE  
NOTARY PUBLIC - ARIZONA  
PIMA COUNTY  
My Commission Expires  
November 3, 2014